



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2006 REGULAR SESSION

HOUSE BILL NO. 556

TUESDAY, FEBRUARY 21, 2006

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED
DATE April 21, 2006
3:09 pm

TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Satter

AN ACT relating to gasoline and special fuel taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 Section 1. KRS 138.240 is amended to read as follows:

2 (1) Every gasoline dealer and every special **fuel**~~[fuels]~~ dealer~~[-, or the treasurer or other~~
3 ~~proper officer or agent of every such dealer,]~~ shall, by the twenty-fifth day of each
4 month, transmit to the Department of Revenue reports on the forms the department
5 may prescribe, of the total number of gallons of gasoline and special fuel received
6 in this state during the next preceding calendar month. **For tax periods beginning**
7 **on or after January 1, 2007, the report shall be submitted electronically in a**
8 **manner prescribed by the department.** This report shall include the following
9 information:

10 (a) An itemized statement of the number of gallons received that have been
11 produced, refined, manufactured, or compounded by the dealer in this state
12 during the next preceding calendar month; and

13 (b) An itemized statement of the number of gallons received by the dealer in this
14 state from any source during the next preceding calendar month, as shown by
15 shippers' invoices, other than the gasoline and special fuel falling within the
16 provisions of paragraph (a) of this subsection, together with a statement
17 showing the date of receipt, the name of the person from whom purchased, the
18 date of receipt of each shipment, the point of origin and the point of
19 destination, the quantity of each purchase or shipment, the name of the carrier,
20 the initials and number of each tank car, the date of receipt, and the number of
21 gallons contained in each car if shipped by rail or the name and owner of the
22 boat, ship, truck, transport, barge, or vessel if shipped by water.

23 (2) The reports required by subsection (1) of this section shall also contain an itemized
24 statement of the number of gallons received by the dealer during the preceding
25 calendar month of:

- 1 (a) Bulk sales of gasoline or bulk sales of special fuels sold to the United States
2 government for use exclusively in equipment or vehicles owned or leased by
3 the United States government;
- 4 (b) Gasoline and special fuels sold for delivery in this state in transport truck, tank
5 car, or cargo lots to licensed bonded dealers. The statement shall give a record
6 of all such transport truck, tank car, or cargo sales, giving the date of
7 shipment, the number of gallons contained in each shipment, the name of
8 owner and license number of truck if shipped by transport truck, the initials
9 and number of the tank car if shipped by rail, the name and owner of the boat,
10 barge, or vessel, and the number of gallons contained therein if shipped by
11 water, and the name of the person to whom sold, point of shipment, and point
12 of delivery;
- 13 (c) Gasoline and special fuels lost through accountable losses;
- 14 (d) Gasoline and special fuel exported from this state to any other state in
15 transport truck, tank car or cargo lots;
- 16 (e) Gasoline or special fuel delivered upon or immediately adjacent to a river or
17 stream, if:
 - 18 1. The gasoline or special fuel is or will be delivered into the fuel supply
19 tank of a commercial ship or vessel which has a valid certificate of
20 documentation issued by the United States Coast Guard; and
 - 21 2. All the fuel will be used exclusively in the operation of a commercial
22 ship or vessel.
- 23 (f) Special fuel delivered to a railroad company principally engaged in the
24 commercial transportation of property for others as a common carrier or in the
25 conveyance of persons for hire, if the railroad company is the holder of a
26 Kentucky motor fuels tax refund permit and certifies that the fuel is to be used
27 exclusively for the purpose of powering locomotives and unlicensed company

vehicles or equipment for nonhighway use. Railroad company as used herein shall not include any company described in KRS 136.120(4)(a) in effect on August 1, 1988; and

(g) Special fuels used in unlicensed vehicles or equipment by licensed special fuels dealers for nonhighway purposes related to the distribution of gasoline or special fuels to others.

(3) All gasoline and special fuel gallons received or distributed by a dealer from marine terminal, refinery or pipeline terminal storage in this state shall be reported at sixty (60) degrees Fahrenheit.

(4) Persons subject to the gasoline and special fuel tax may apply for a waiver from the requirement in subsection (1) of this section that the report be submitted electronically for tax periods beginning on or after January 1, 2007, by submitting a request on a form prescribed by the department. The request shall indicate the lack of one (1) or more of the following:

(a) Compatible computer hardware;

(b) Internet access; or

(c) Other technological capabilities determined relevant by the department.

(5) If a person qualifies for a waiver under subsection (4) of this section, paper reports including the information required by subsections (1) through (3) of this section shall be submitted.

Section 2. KRS 138.280 is amended to read as follows:

(1) (a) For tax periods beginning prior to January 1, 2007, the reports required by KRS 138.240 shall be accompanied by a certified or cashier's check, payable to the State Treasurer, for the amount of tax due for the preceding calendar month, computed as provided in KRS 138.270; except that the department may waive this requirement and accept the dealer's check or allow for remittance of the tax owed to the department by electronic fund transfer where

the dealer is of sound financial condition and has established a good record of compliance with the requirements of KRS 138.210 to 138.340.

(b) For tax periods beginning on or after January 1, 2007, the payments computed as provided in KRS 138.270 shall be transmitted electronically in a manner prescribed by the department.

(2) By virtue of the allowance provided by KRS 138.270 to dealers for collecting and remitting the tax, every dealer is a trust officer of the state.

(3) Persons subject to the gasoline and special fuels tax may apply for a waiver from the requirements of paragraph (b) of subsection (1) of this section by submitting a request on a form prescribed by the department. The request shall indicate the lack of one (1) or more of the following:

(a) Compatible computer hardware;

(b) Internet access; or

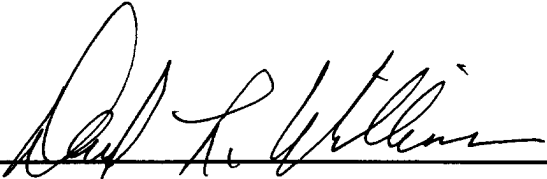
(c) Other technological capabilities determined relevant by the department.

(4) If a person qualifies for a waiver of the electronic payment requirements established by paragraph (b) of subsection (1) of this section, the reports required by KRS 138.240 shall be accompanied by a certified or cashier's check, payable to the State Treasurer, for the amount of tax due for the preceding calendar month, computed as provided in KRS 138.270.

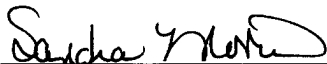
(5) The department shall promulgate administrative regulations establishing electronic fund transfer requirements for the payment of taxes due for the preceding calendar month and computed as provided by KRS 138.270.



Speaker-House of Representatives



President of the Senate

Attest: 

Asst. Chief Clerk of House of Representatives

Approved 

Governor

Date 
